

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED)	
GAS ADJUSTMENT FILING OF)	CASE NO.
PENDLETON COUNTY WATER)	8568-T
DISTRICT, GAS DIVISION)	

O R D E R

On December 8, 1982, the Commission issued its Order in Case No. 8568 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On April 16, 1985, Pendleton County Water District, Gas Division, ("Pendleton") notified the Commission that its wholesale cost of gas would be decreased by its supplier Columbia Gas Transmission Corporation ("Transmission") effective April 1, 1985, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission. By letter dated May 10, 1985, the Commission delayed action in this case pending a decision by the Federal Energy Regulatory Commission ("FERC").

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Pendleton's notice of April 16, 1985, set out certain revisions in rates which Pendleton proposed to place into

effect, said rates being designed to pass on the wholesale decrease in gas cost in the amount of \$80,790 or 46.81 cents per Dth.

(2) On April 4, 1985, Transmission filed a Stipulation and Agreement of Docket No. TA 82-1-21-001, et al., with the FERC. The filing contained rates to be effective April 1, 1985. On June 14, 1985, the FERC approved the negotiated settlement in this docket.

(3) Due to the retroactive nature of Transmission's decrease, Pendleton should report to the Commission any excess revenues collected during the period from April 1, 1985, to the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.

(4) Pendleton's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8568 dated December 8, 1982, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after April 1, 1985.

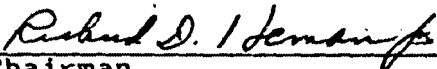
IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after April 1, 1985.

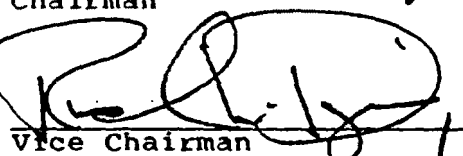
IT IS FURTHER ORDERED that as soon as the information is available Pendleton shall report to the Commission any excess revenues collected during the period from April 1, 1985, to the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Pendleton shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 11th day of July, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8568-T DATED 7/11/85

The following rates are prescribed for the customers served by Pendleton County Water District, Gas Division. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the date of this Order.

RATES: MONTHLY

RATES PER UNIT

Residential:

0 - 1 Mcf (Minimum Charge)	\$5.82 Per Month
1 - 2 Mcf	5.218 Per Mcf
2 - 6 Mcf	4.965 Per Mcf
Over 6 Mcf	4.915 Per Mcf

Commercial:

0 - 1 Mcf (Minimum Charge)	\$6.37 Per Month
1 - 20 Mcf	4.915 Per Mcf
20 - 30 Mcf	4.865 Per Mcf
30 - 40 Mcf	4.815 Per Mcf
40 - 50 Mcf	4.765 Per Mcf
Over 50 Mcf	4.715 Per Mcf

SMALL INDUSTRIAL:

All Mcf	\$4.676 Per Mcf
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SPECIAL CONTRACTS:

Firm Gas Service:

MAGO Construction Co., Inc.,	\$4.4197 Per Mcf
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For the purpose of the future application of the purchased gas adjustment clause of Pendleton County Water District, Gas Division, the base rate for purchased gas shall be:

Columbia Gas Transmission Corporation
Schedule SGS

Commodity

\$3.9538 Per Dth